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## COMMODITIES

# Oil Prices Decline As OPEC Leaves Its Output Steady

By MASOOD FARIVAR  
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Oil prices fell after the Organization of Petroleum Exporting Countries left its output ceiling steady and Iran signaled it won't halt exports over its nuclear dispute with the West.

Crude for March delivery on the New York Mercantile Exchange ended 43 cents lower at \$67.92 a barrel after hitting a low of \$67.35 earlier in the day. The front-month contract finished January with an increase of 11% for the month.

OPEC yesterday agreed to keep its output ceiling unchanged at 28 million barrels a day, with most members pumping at full capacity. The move came as prices began racing toward \$70 a barrel, pushed up by fears that increasing pressure on Iran over its nuclear-research program could lead to a disruption in the Persian Gulf producer's oil exports.

However, Iranian Oil Minister Kazem Vaziri Hamaneh told reporters that there was no link between oil and the nuclear dispute and that Tehran wouldn't halt its oil exports. Iran, OPEC's second-largest producer, gave cartel members a similar assurance.

The Iranian statement, along with the OPEC production move, gave jittery traders an incentive to take profits on their recent gains in energy futures. However, analysts cautioned that the Iranian nuclear row has the potential to lift prices to new highs this year.


Permanent members of the United Nations Security Council yesterday called on the International Atomic Energy Agency to transfer the Iranian dossier to the Security Council.

"Clearly, there won't be a cut in oil production over [February], but that doesn't detract from the general uncertainty in that part of the world," said Mike Fitzpatrick, vice president for risk management with Fimat USA, a New York brokerage house. "There is this mindset among market participants that prices are going to go higher, and in this kind of environment, setting a new record becomes a self-fulfilling prophecy."

In other commodity markets:

**GOLD:** Prices on the Comex division of Nymex rose. The most-active April contract reached a

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25-year high of \$577.30 an ounce but ended at \$575.50. The February contract ended up \$5 at \$570.80.

**COFFEE:** Prices on the New York Board of Trade decreased on technical chart-based selling and month-end profit-taking. The March contract ended down 3.7 cents at \$1.182 a pound.

**Write to** Masood Farivar at [masood.farivar@dowjones.com](mailto:masood.farivar@dowjones.com)<sup>1</sup>

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